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FISCAL IMPACT STATEMENT

LS 6791

BILL NUMBER: SB 289

NOTE PREPARED: Jan 7, 2008

BILL AMENDED:

SUBJECT: Property tax exemption for certain entities.

FIRST AUTHOR: Sen. Broden

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill allows a church or religious society that meets certain requirements and that failed to timely file an application for property tax exemption for the 2003 assessment date to retroactively file for and be granted the exemption.

Effective Date: January 1, 2003 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under this proposal, a church or religious society may receive a property tax exemption for taxes payable in CY 2004 if:

1. The entity failed to timely file the application for taxes payable in 2004;
2. The property would have been eligible for the exemption if the application had been filed; and
3. The property was subject to taxation.

The property owner would have until June 30, 2008 to file the application for exemption. The county property tax assessment board of appeals would grant the exemption if the property owner meets the above conditions. If the taxes have been paid, the property owner would be entitled to a refund, without interest.

Property tax refunds are paid from current year property tax collections. Taxing units may transfer available money from their levy excess funds to other funds to cover the refunds.

The number of property owners and the amount of tax affected by this bill is not known.

State Agencies Affected:

Local Agencies Affected: Civil taxing units and school corporations; County auditors; County property tax assessment boards of appeal.

Information Sources:

Fiscal Analyst: Bob Sigalow, 317-232-9859.